



STATE OF HAWAII

Procurement of Professional Services
Audit and Accounting Services

STATEMENT OF QUALIFICATIONS

State Comptroller
Department of Accounting and General Services
Audit Division
Form AUD 100

INTRODUCTION

Hawaii Revised Statutes (HRS), Section 26-6, states that the Comptroller shall conduct after-the-fact audits of the financial accounts of all state departments to determine the legality of expenditures and the accuracy of accounts. The Comptroller intends to conduct audits of the State's Executive Branch departments and agencies (State Agencies) and plans to employ the services of qualified certified public accountants (CPA) to conduct those audits.

Contracts to provide audit and accounting services to State Agencies shall be awarded on the basis of demonstrated competence and qualification for the type of services required, and at fair and reasonable prices.

The purpose of the Statement of Qualifications is to solicit information about a CPA in order to determine whether the CPA is qualified to provide audit or accounting services to State Agencies. The CPAs submit their statement of qualifications at the beginning of the fiscal year. Upon meeting the qualifications, the CPA is placed on a list of CPAs qualified to provide audit or accounting services to State Agencies (the List). However, CPAs not on the List may submit their statement of qualifications during the fiscal year. After review and evaluation, if qualified, the CPA will be placed on the List. CPAs may amend their statement of qualifications as necessary or appropriate. The CPAs shall immediately inform the head of the purchasing agency of any change in information furnished which would disqualify the CPA from being considered for a contract award.

EVALUATION OF STATEMENT OF QUALIFICATIONS

A three-member review committee will review and evaluate the submitted statement of qualifications. The evaluation criteria is listed below in the relative order of their importance:

- a. Experience and Qualification of Firm and Staff in providing required audit or accounting services. The CPA shall provide a brief description of the CPA's experience in conducting financial audits in accordance with auditing standards generally accepted in the United States of America and auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

The CPA shall provide a brief description of the CPA's experience in conducting single audits in accordance with auditing standards generally accepted in the United States of America, auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The CPA shall provide a brief description of the CPA's experience in the types of accounting services available to State Agencies.

The human resources that the CPA intends to commit to the work, including the total number of personnel in the CPA's present organization, the number of the CPA's personnel available for state engagements, the name and qualifications of the CPA's partners/principals and key managers/seniors

Statement of Qualifications
Professional Services
Department of Accounting and General Services

to be assigned to state engagements, and any subcontractors that the CPA intends to use.

- b. Previous Work Experience (last five years) in providing required audit or accounting services. Brief description of any work done (especially the experience of the local office) which is similar or related to the type of audit or accounting services provided to State Agencies.
- c. Meeting the Required Deadlines. Brief description of the CPA's plan to meet all required financial audit, single audit and State deadlines.

- d. The Audit Plan to provide the required audit services.

The CPA shall briefly describe the audit approach, explaining the various phases and scheduling; the audit objectives and the methods and procedures to be used to accomplish the audit objectives; and the type and extent of audit tests to be performed.

- e. License and Qualifications needed to provide the required audit or accounting services.

The CPA shall be licensed to practice and registered to do business in the State of Hawaii. The CPA shall be a member in good standing with the Board of Accountancy, State of Hawaii, and the American Institute of Certified Public Accountants. The CPA and its staff assigned to state engagements should meet the continuing professional education requirements and professional standards required by *Government Auditing Standards*. The CPA shall have a State Department of Taxation tax clearance certificate (Form A-6), a State Department of Labor and Industrial Relations certificate of compliance with Section 3-122-112, Hawaii Administrative Rules (Form #LIR27), a State Department of Commerce and Consumer Affairs Business Registration Division "Certificate of Good Standing". Copies are acceptable. The CPA shall state that the CPA has professional and general liability insurance. The CPA shall state that the CPA is independent from the State Agencies requesting audit or accounting services.

- f. Types of Services the CPA is interested in providing.

The CPA shall select the type of audits or accounting services, project size, location, and specific projects interested in conducting for State Agencies.

- g. References.

The CPA shall submit a reference questionnaire from three clients.

General Information. The CPA shall complete Form AUD 100 in its entirety. The CPA shall submit Form AUD 100 by the required deadline.

The information submitted on Form AUD 100 will be used on all requests for audit or accounting services. Upon completion of its review and evaluation of the statements of qualifications, the review committee shall prepare a list of CPAs qualified to provide audit or accounting services to State Agencies for the fiscal year.

GENERAL INFORMATION

Information Submitted for Fiscal Year: 2006-2007

Firm Name:

Type of Organization: (Check box)

- ☐ Individual ☐ Corporation ☐ Partnership
☐ LLP ☐ LLC ☐ Joint Venture
☐ Other Describe:

Business Address of Hawaii Office:

Year Established in Hawaii: _____

Business Telephone No. of Hawaii Office:

Name of Person In Charge of Hawaii Office:

Contact person:

Name:

Position:

Telephone No.:

FAX No.:

Email Address:

Is your CPA firm a: (Check one only)

- a. A national CPA firm
b. A regional CPA firm
c. A Hawaii (only) CPA firm

Size of Hawaii Office

- ☐ Large ☐ Medium ☐ Small
☐ Large ☐ Medium ☐ Small
☐ Large ☐ Medium ☐ Small

Names of Partners/Principals of Firm:

Island of
Residence

GENERAL INFORMATION, Continued

Description and Background of Firm.

EXPERIENCE AND QUALIFICATION OF FIRM AND STAFF

I. FIRM'S EXPERIENCE AND QUALIFICATION ON THE FOLLOWING:

Financial audits:

Single Audits.

Accounting Services.

EXPERIENCE AND QUALIFICATION OF FIRM AND STAFF

II. NUMBER OF EMPLOYEES AVAILABLE FOR STATE AUDITS:

Number of Personnel in Your Present Organization:

<u>Employee Classification</u>	<u>Audit</u>	<u>Tax</u>	<u>Support</u>	<u>Total</u>
Partners/Principals	_____	_____	_____	_____
Certified Public Accountants (CPA), exclusive of partner/principals	_____	_____	_____	_____
Professional staff, exclusive of partners/principals and CPAs	_____	_____	_____	_____
Clerks, typists and other supporting staff	_____	_____	_____	_____
Total	_____	_____	_____	_____

Please do not double count your employees between audit and other categories. List each employee under only one category. If an employee works in more than one category, list the employee in the category where the majority of the employee's time is spent.

Number of Personnel available for assignment to state engagements:

<u>Employee Classification</u>	<u>Audit</u>	<u>Support</u>	<u>Total</u>
Partners/Principals	_____	_____	_____
Certified Public Accountants (CPA), exclusive of partners/principals	_____	_____	_____
Professional staff, exclusive of partners/principals and CPAs	_____	_____	_____
Clerks, typists and other supporting staff	_____	_____	_____
Total	_____	_____	_____

EXPERIENCE AND QUALIFICATION OF FIRM AND STAFF

**III. PERSONAL HISTORY STATEMENT OF PARTNERS/PRINCIPALS ASSIGNED TO
STATE AUDITS**

Name:

Position on State Engagements:

Position with Firm:

<u>Total</u>	<u>As Principal in This Firm</u>	<u>As Principal In Other Firms</u>	<u>Other than as Principal</u>
--------------	--------------------------------------	--	------------------------------------

Years of Experience:

Resident of Hawaii Since:

CPE Requirements: ☐ Yes ☐ No
(In accordance with *Government Auditing Standards*).

Education (College, Degree, Year, Specialization):

Membership in Professional Organizations:

License (Type, Year, State):

Responsibilities on Previous Government or Similar-type of Engagements:

EXPERIENCE AND QUALIFICATION OF FIRM AND STAFF

**IV. PERSONAL HISTORY STATEMENT OF MANAGERS/SENIORS ASSIGNED TO
STATE AUDITS**

Name:

Position on State Engagements:

Major Responsibilities with the Firm:

CPE Requirements: ☐ Yes ☐ No
(In accordance with *Government Auditing Standards*.)

Years of Experience:

Resident of Hawaii Since:

Education (College, Degree, Year, Specialization):

Membership in Professional Organizations:

License (Type, Year, State):

PREVIOUS WORK EXPERIENCE
Last Five Years

<u>Agency/Client</u>	<u>Type of Service</u> (Financial Audit/Single Audit/Accounting Services)	<u>FY</u>	<u>No. of Actual Hours</u>
----------------------	---	-----------	--------------------------------

MEETING THE REQUIRED DEADLINES

I. THE PLAN TO MEET THE FINANCIAL AUDIT IMPOSED DEADLINE.

II. THE PLAN TO MEET THE SINGLE AUDIT IMPOSED DEADLINE.

III. THE PLAN TO MEET THE CAFR IMPOSED DEADLINE.

THE AUDIT PLAN

Based on your firm's experience with audits of governmental entities, provide the following information:

- I. Describe the audit from start to finish. Be concise.
- II. Identify examples of audit concerns or inherent risks and your audit approach concerning these areas.
- III. Express your views on the following: (who is responsible, what is the CPA's role, what audit procedures are required)
 - a. Detection of fraud and illegal acts;
 - b. Detection of noncompliance with state and federal laws;
 - c. Detection of noncompliance with state procurement laws, policies and procedures.

LICENSE AND QUALIFICATIONS

	<u>Yes</u>	<u>No</u>
1. Is the CPA incorporated, organized, or registered under the laws of the State of Hawaii? Provide a copy of the most current annual exhibit filed with the Department of Commerce and Consumer Affairs.	<input type="checkbox"/>	<input type="checkbox"/>
2. CPA is authorized to do business in the State of Hawaii? Provide a copy of your general excise tax license.	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the CPA licensed to practice in the State of Hawaii?	<input type="checkbox"/>	<input type="checkbox"/>
4. Is the CPA in good standing with the Board of Accountancy of the State of Hawaii?	<input type="checkbox"/>	<input type="checkbox"/>
5. Is the CPA in good standing with the AICPA?	<input type="checkbox"/>	<input type="checkbox"/>
6. Does the CPA have a current AICPA required quality control review report? Provide a copy.	<input type="checkbox"/>	<input type="checkbox"/>
If no, when is the review scheduled? _____ Qualification is subject to completion of this review.		
7. Does the CPA have:		
a. A current tax clearance certificate (Form A-6)?	<input type="checkbox"/>	<input type="checkbox"/>
b. A current DLIR certificate of compliance (Form #LIR27)?	<input type="checkbox"/>	<input type="checkbox"/>
c. A current DCCA "Certificate of Good Standing?"	<input type="checkbox"/>	<input type="checkbox"/>
8. Does the CPA have professional liability insurance? Provide a copy of the current certificate of insurance.	<input type="checkbox"/>	<input type="checkbox"/>
9. Does the CPA's audit staff assigned to the engagement meet the CPE requirements as outlined in <i>Government Auditing Standards</i> ?	<input type="checkbox"/>	<input type="checkbox"/>
10. Will the CPA's staff assigned to the engagement include licensed CPAs or be directly supervised by a licensed CPA?	<input type="checkbox"/>	<input type="checkbox"/>
11. Does the CPA currently provide accounting or management consulting services to a state agency? If yes, list the State agencies and indicate whether the CPA is independent with respect to these State agencies.	<input type="checkbox"/>	<input type="checkbox"/>
12. Is the CPA independent from the State agencies requesting the audit or accounting services?	<input type="checkbox"/>	<input type="checkbox"/>

INTEREST IN REQUIRED SERVICES

I. I am interested in ☐ **financial audits** ☐ **single audits** ☐ **accounting services on the following islands:** (Check each box that applies)

All islands ☐

Only on the following islands:

Oahu ☐

Hawaii ☐

Maui ☐

Kauai ☐

Lanai/Molokai ☐

II. I am interested in ☐ **financial audits** ☐ **single audits** ☐ **accounting services for the following size projects:** (Check each box that applies)

Up to 250 hours ☐

251 to 500 hours ☐

501 to 1,000 hours ☐

1,001 to 5,000 hours ☐

Over 5,000 hours ☐

III. I am interested in conducting ☐ **financial audits** ☐ **single audits** ☐ **accounting services in the following months:** (Check each box that applies)

January ☐

July ☐

February ☐

August ☐

March ☐

September ☐

April ☐

October ☐

May ☐

November ☐

June ☐

December ☐

Year-round ☐

INTEREST IN REQUIRED SERVICES

IV. I am interested in the following audits: (Check each box that applies)

Financial Audits:

- | | |
|---|--------------------------|
| Hawaii Community Development Authority | <input type="checkbox"/> |
| Housing and Community Development Corporation of Hawaii | <input type="checkbox"/> |
| Hawaii Convention Center | <input type="checkbox"/> |
| Hawaii Tourism Authority | <input type="checkbox"/> |
| Stadium Authority | <input type="checkbox"/> |
| State Motor Pool Revolving Fund | <input type="checkbox"/> |
| State Parking Revolving Fund | <input type="checkbox"/> |
| Workers' Compensation Special Compensation Fund | <input type="checkbox"/> |

Single Audits:

- | | |
|--|--------------------------|
| Department of Accounting and General Services | <input type="checkbox"/> |
| Department of Agriculture | <input type="checkbox"/> |
| Department of the Attorney General | <input type="checkbox"/> |
| Department of Business, Economic Development and Tourism | <input type="checkbox"/> |
| Department of Defense | <input type="checkbox"/> |
| Department of Hawaiian Home Lands | <input type="checkbox"/> |
| Department of Labor and Industrial Relations | <input type="checkbox"/> |
| Department of Land and Natural Resources | <input type="checkbox"/> |
| Department of Public Safety | <input type="checkbox"/> |

HUD Audits:

- | | |
|-----------------------------|--------------------------|
| Banyan Street Manor Project | <input type="checkbox"/> |
| Kekuilani Gardens Project | <input type="checkbox"/> |
| Wilikina Apartments Project | <input type="checkbox"/> |

Discretionary Audits:

- | | |
|---|--------------------------|
| Department of Budget and Finance | <input type="checkbox"/> |
| Department of Commerce and Consumer Affairs | <input type="checkbox"/> |
| Department of Human Resources Development | <input type="checkbox"/> |
| Department of Taxation | <input type="checkbox"/> |

Other audits or accounting services engagements, which may be contracted
on an as-needed basis ☐

REFERENCES

List references. Have each reference complete the questionnaire at Exhibit No. 9.

1. Client Name:

 Client Contact Person:

 Client Telephone Number:

2. Client Name:

 Client Contact Person:

 Client Telephone Number:

3. Client Name:

 Client Contact Person:

 Client Telephone Number:

REFERENCES -Questionnaire

Instructions -- Answer all questions.

CPA: _____

Completed by: _____

FY: _____

1.	Name of client:	
2.	Type of engagement:	() Audit () Account Services
3.	Size of engagement (Hrs):	
4.	Years known CPA:	
5.	Did CPA start audit on time?	() Yes () No
	If no, why?	
6.	CPA completed audit on time?	() Yes () No
	If no, why?	
7.	No. of CPA's staff sufficient?	() Yes () No
8.	CPA knowledgeable about:	Rate the following (5 to 1).
	a. Accounting principles.	
	b. Auditing procedures.	
	c. Compliance requirements.	
9.	Was CPA staff:	
	a. Courteous?	() Yes () No
	b. Efficient use of time?	() Yes () No
	c. Adequately supervised?	() Yes () No
10.	Was the audit fee amended?	() Yes () No
	If yes, was it due to:	
	a. Scope of services not clear?	() Yes () No
	b. Change in scope of services?	() Yes () No
	c. Other: Explain.	
11.	Drafting financial statements:	Rate the following (5 to 1).
	a. Assistance provided	
	b. Financial statements provided	
	c. Other: Explain.	
12.	How would you rate this CPA.	Rate 5 to 1.
13.	Would you recommend this CPA to other state agencies?	() Yes () No

Place Check Mark in Box

Rating Legend

Excellent (5), Good (4), Average (3),
Fair (2), Needs Improvement (1)

5	4	3	2	1
---	---	---	---	---

Signature: _____

Date: _____

ADDITIONAL SPACE

In the event that space provided on any exhibit is not sufficient for entries, or if you wish to furnish additional information, it may be inserted here or on separate sheets, with appropriate references.

As of this date _____, the foregoing is a true statement of facts.

Firm or Individual Submitting Questionnaire

Type Name and Title of Person
Authorized to Sign

Signature